The opinion in support of the decision being entered today is *not* binding precedent of the Board.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Ex parte DAVID A. FENTON, JOHN A. TRAYNOR, EUNICE D. SILVER, KAREN J. CARFAGNO, and CAROL A. WEAVER

Appeal No. 2007-2369
Application No. 09/329,659
Technology Center 3600

Decided: September 7, 2007

Before TERRY J. OWENS, HUBERT C. LORIN, and LINDA E. HORNER, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

This is an appeal from a decision of the Examiner rejecting claims 1-40. 35 U.S.C. § 134 (2002). We have jurisdiction under 35 U.S.C. § 6(b) (2002).

The Examiner has finally rejected

- claims 1-40 under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement; and,
- claims 1-40 under 35 U.S.C. § 103(a) as being unpatentable over Luchs (U.S. Patent 4,831,526), Bland ("Instant Auto Insurance Quotes Now available at Quotesmith.com"), and Pescitelli (U.S. Patent 5,845,256) in view of Lent (U.S. Patent 6,405,181).

The invention relates to a process of processing a single-user insurance application. The process involves comparing data contained in the application with certain underwriting criteria. Specification, pp. 16-17. According to claim 1 (see below), the comparison is made between application data and "real-time current underwriting criteria." Depending on the results of the comparison, the application is automatically approved or denied. Specification, p. 20. An object of the invention is to provide a process for "automating the insurance application process so as to allow a consumer to apply for and receive a policy of insurance speedily and easily." Specification, p. 3.

The Brief[1] (p. 4) argues the claims as a group. Pursuant to the rules, the Board selects representative claim 1 to decide the appeal. 37 C.F.R. § 41.37(c)(1)(vii) (2006). Accordingly, all the claims stand or fall with claim 1. Claim 1 reads:

[1] Our decision will make reference to Appellants' Appeal Brief ("Br.," filed Nov. 2, 2005) and the Examiner's Answer ("Answer," mailed Mar. 7, 2006).

1. A method of processing an insurance application, comprising the steps of:

receiving an application for a policy of insurance from a user over a computer network;

automatically approving or denying the application based on a comparison of data contained in the application with real-time current underwriting criteria;

automatically offering a policy of insurance to the user in response to the application over the computer network if the application is approved based on the real-time current underwriting criteria and presenting the policy to the user for electronic acceptance; and

issuing and activating the policy upon electronic acceptance thereof by the user and payment via an electronic payment,

wherein all the steps of said method occur during a single user session on the computer network, and wherein the policy of insurance provides insurance coverage for the user without a post user-session delay period.

I. WRITTEN DESCRIPTION

A. ISSUE

The issue is whether Appellants have shown error in the Examiner's rejection on the grounds that the Specification does *not* reasonably convey to those skilled in the relevant art that the inventors, at the time the application was filed, had possession of the claimed process for processing an insurance application involving "automatically approving or denying the application based on a comparison of data contained in the application with *real-time current underwriting criteria*."

B. FACTS

The record supports the following findings of fact (FF) by a preponderance

of the evidence.

1. The Examiner argued that the phrase "real-time" in the following step of claim 1,

> automatically approving or denying the application based on a comparison of data contained in the application with real-time current underwriting criteria,

was added by amendment to the original claim but does not have written descriptive support in the Specification. Answer 3.

2. In response, Appellants directed attention to two passages from pages 16-17 and 20 of the Specification as a "non-limiting example" (Br. 5) that supports the claimed limitation (as Appellants articulate it) that "the current underwriting criteria is applied commensurate in time with at least one criteria" (Br. 5.) The passages read as follows:

> Clicking on region 658 completes step 204 of the application process and completes the transmission of the application to the issuer. At this point, the system compares the data contained in the application with certain underwriting criteria contained in database 104 or in code in step 206 (see fig. 2). Although in the PC Web Embodiment certain data are compared with certain criteria at earlier stages of the application process (such as the maximum insurable value per system and per insured at Web page 330 and the state of coverage at Web page 306 as discussed above), in other embodiments, similar comparisons might be performed at this point. Also, the identity of the insured might optionally be checked against a list of frequent claimants to avoid fraudulent claims and a list of delinquent debtors to avoid credit losses, depending on the method of payment. Other comparisons with stored underwriting criteria could be performed as well, depending on the underwriting criteria ordinarily utilized by the insurer in question. Moreover, although in the PC Web Embodiment the maximum insurable value per system is stored in code, in an embodiment involving more complex or varied underwriting criteria, such criteria might be stored

in a database.

> In any event, all of the criteria employed in connection with the evaluation of an application for any policy of insurance must be purely objective in nature so that the system may evaluate the application automatically without the need for human intervention. Examples of acceptable data that may be elicited by the system are selections from lists stored in database 104 (such as a stored list of occupations), yes or no answers to specific questions, numbers, and dates. Other data may also be gathered from the applicant for claim processing or marketing purposes, but any narrative answers or non-objective data cannot be used in the application evaluation process.

3. The sentence in the cited passages above that most closely matches the point Appellants were making reads: "Clicking on region 658 completes step 204 of the application process and completes the transmission of the application to the issuer. At this point, the system compares the data contained in the application with certain underwriting criteria contained in database 104 ... ." Emphasis added.

4. Based in part on these passages Appellants argued that "when one action occurs, and another action occurs "at this point (in time)," it is readily apparent that the two actions occur "[sic] commensurate in time." Br. 6.

5. The Examiner responded by arguing that Appellants did not point to any support for a "real time current" underwriting criteria feature and requested that Appellants specifically point out support for *real-time current* (Examiner's emphasis) underwriting criteria in the originally filed specification and claims. Appellants do not appear to have responded to the request.

C. PRINCIPLES OF LAW

1. "What is claimed by the patent application must be the same as what is

disclosed in the specification; otherwise the patent should not issue." *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 736, 62 USPQ2d 1705, 1712 (2002).

2. All that is necessary to satisfy the description requirement is to show that one is "in possession" of the invention. *Lockwood* accurately states the test. *See Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1572, 41 USPQ2d 1961, 1966 (Fed. Cir. 1997); and *Vas- Cath Inc. v. Mahurkar* , 935 F.2d 1555, 1563-64, 19 USPQ2d 1111, 1117 (Fed. Cir. 1991).

> One shows that one is "in possession" of *the invention* by describing *the invention*, with all its claimed limitations, ... *Id.* (" [T]he applicant must also convey to those skilled in the art that, as of the filing date sought, he or she was in possession *of the invention*. The invention is, for purposes of the 'written description' inquiry, *whatever is now claimed.*") (emphasis in original). One does that by such descriptive means as words, structures, figures, diagrams, formulas, etc., that fully set forth the claimed invention. Although the exact terms need not be used *in haec verba*, *see Eiselstein v. Frank*, 52 F.3d 1035, 1038, 34 USPQ2d 1467, 1470 (Fed. Cir. 1995) (" [T]he prior application need not describe the claimed subject matter in exactly the same terms as used in the claims.. . ."), the specification must contain an equivalent description of the claimed subject matter.

Lockwood, 107 F.3d at 1572, 41 USPQ2d at 1966 (emphasis original).

3. Compliance with the written description requirement is a question of fact. *Ralston Purina Co. v. Far-Mar-Co, Inc.*, 772 F.2d 1570, 1575, 227 USPQ 177, 179 (Fed. Cir. 1985).

D. ANALYSIS

Appellants' argument does not persuade us as to error in the rejection.

The question is whether the Specification reasonably conveys to one of ordinary skill that Appellants had possession, at the time the application was filed, of a process for processing an insurance application involving "automatically approving or denying the application based on a comparison of data contained in the application with *real-time current underwriting criteria*." The Examiner has made it clear that he was unable to find written descriptive support for the use of *real-time current underwriting criteria* in the original specification. FF 1 and 5. Appellants appear to have misunderstood the Examiner, believing that the Examiner found no written descriptive support for "current underwriting criteria [being] commensurate in time with at least one criteria." FF 2. The passages Appellants rely upon for written descriptive support say nothing about "real-time current underwriting criteria." FF 2. While the passages clearly indicate that "the system compares the data contained in the application with certain underwriting criteria" (FF 3) at the "point" the transmission of the application to the issuer is complete, it provides no insight into the currency of the underwriting criteria. The passages are not germane to the question of whether the original Specification reasonably conveys to one of ordinary skill in the art that the approving or denying of the application is based on a comparison of data contained in the application with *real-time current underwriting criteria*.

E. CONCLUSION OF LAW

On the record before us, Appellants have not shown error in the Examiner's rejection on the grounds that the Specification doe *not* reasonably convey to those skilled in the relevant art that the inventors, at the time the application was filed, had possession of the claimed invention.

II. OBVIOUSNESS.

A. ISSUE

The issue is whether Appellants have shown error in the rejection of the claim over the cited prior art.

B. FACTS

The record supports the following findings of fact (FF) by a preponderance of the evidence.

1. Appellants did not address and thus did not traverse the Examiner's characterizations of the scope and content of Luchs, Bland, and Pescitelli (see Answer 5-7). Br. 7-8.

2. The Examiner found that "[Luchs, Bland, and Pescitelli] fail to teach offering a policy of insurance to the user based upon on real-time current underwriting criteria" (Answer 7) and relies on Lent to show the use of real-time data in an approval process.

> [Lent] teaches a system and method for providing real time approval credit over a network involving an underwriter (110, Fig. 1) receiving data from the parsing engine and evaluating the data to determine if an applicant

should receive an offer for credit by comparing the applicant's Fair Isaac Risk Score (FICO) to certain thresholds (see: column 4, lines 18-37 and abstract). The FICO Score is updated in real time and used for approval and offering of credit to applicant.

Answer 8.

3. Lent, col. 4, ll. 18-37 reads:

> Underwriter 110 receives data from the parsing engine and evaluates the data to determine if the applicant should receive an offer for credit. In one embodiment, the Underwriter sends the parsed data to at least two credit bureaus, receives data from the credit bureaus, and makes an underwriting decision based on an analysis of the credit bureau data. The analysis may include, but is not limited to, comparing the applicant's Fair Isaac Risk Score (FICO score) to certain thresholds. Underwriter 110 is described in further detail in FIGS. 6A and 6B. If the Underwriter determines that an offer of credit should be extended to the applicant, then an offer is made in real time to the applicant. As is described below, the offer may include one or more sets of alternative terms and those terms may be conditioned on the applicant taking certain actions such as transferring balances. The applicant may be required to actually take such actions in real time before an offer conditioned on such actions is confirmed. If the Underwriter determines that no offer of credit should be extended, then the Underwriter determines a reason for rejecting the applicant.

4. Appellants stated that "Examiner admits that Luchs, Bland and Pescitelli fail to teach the offering of a policy of insurance to the user based upon contemporaneous current underwriting criteria" (Br. 7). But Appellants did not address the Examiner's reliance on Lent to show, as known, the missing disclosure, i.e., the use of real-time data in an approval process. Therefore Appellants did not traverse the Examiner's characterization of Lent as showing the use of real-time data in an approval process.

5. Appellants argued that Lent does not teach using current underwriting criteria simultaneously with application data in the application approval process. Br. 7.

> [Lent] fails to teach or suggest the use of current underwriting criteria within and simultaneously with the data of the application process. Rather, Lent merely uses data obtained in the application process to externally retrieve third-party underwriting information that is then compared against system thresholds (see Lent, col. 4, lines 18-37). Therefore, Lent requires that internal data be compared against external data, necessitating an extra step not necessitated, and in fact taught away from, by the present invention. Rather, by incorporating current underwriting criteria with the other criteria and the data in the present invention, the present invention can manipulate all data at a substantially commensurate time, thereby approximating real time, and further, the present invention optimizes over the prior art by eliminating extra steps in the prior art.

Appeal Br. 8.

6. Claim 1 does not expressly state that the process for processing an insurance application involves manipulating all data at a "substantially commensurate time, thereby approximating real time" as Appellants have argued. Nevertheless claim 1 does call for "automatically approving or denying the application based on a comparison of data contained in the application with real-time current underwriting criteria." Comparing application data and current underwriting criteria must necessarily occur at a single time, i.e., simultaneously.

7. The Examiner did not rely on Lent to show simultaneous comparison between application data and underwriting criteria. To show that comparing application data and underwriting criteria is known, the Examiner relied upon the disclosures at col. 7, ll. 29-31 and col. 8, ll. 1-8 of Luchs. Answer 5. This is also

shown at col. 4, ll. 37-39 of Luchs whereat it states that "data included in the insurance application is electronically and automatically compared to certain underwriting criteria." Appellants did not traverse the Examiner's finding that Luchs shows "the claimed automatically approving or denying of the application based on comparison of data contained in the application with stored underwriting criteria" (Answer 5). Br. 7-8.

C. PRINCIPLES OF LAW

Section 103 forbids issuance of a patent when "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains."

In *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1 (1966), the Court set out a framework for applying the statutory language of §103, language itself based on the logic of the earlier decision in *Hotchkiss v. Greenwood*, 11 How. 248 (1851), and its progeny. *See* 383 U.S., at 15-17. The analysis is objective:

> Under §103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented."

Id., at 17-18. "While the sequence of these questions might be reordered in any

particular case, the factors continue to define the inquiry that controls. If a court, or patent examiner, conducts this analysis and concludes the claimed subject matter was obvious, the claim is invalid under § 103." *KSR Int'l v. Teleflex Inc.*, 127 S.Ct. 1727, 1734, 82 USPQ2d 1385, 1391 (2007).

D. ANALYSIS

Appellants argued that Lent does not teach using current underwriting criteria simultaneously with application data in the application approval process. FF 5.

The argument is unpersuasive as to error in the rejection for a number of reasons.

Appellants did not traverse the Examiner's finding that the use of real-time current underwriting criteria in an application approval process is known. FF 4. Accordingly, the only question is whether the cited prior art shows simultaneously comparing application data and current underwriting criteria. In that regard, Appellants focus their attention on Lent. However, as the Examiner has made clear, it is Luchs which provides the evidence that comparing application data and underwriting criteria in processing an insurance application is known. FF 7. Appellants did not address the disclosure of Luchs and therefore did not traverse the Examiner's finding that Luchs shows comparing application data and underwriting criteria in processing an insurance application. FF 1 and 7. In comparing two sets of data, a comparison is necessarily accomplished at a single point in time, i.e., simultaneously. FF 6. Accordingly, in disclosing comparing

application data and underwriting criteria, Luchs necessarily discloses their simultaneous comparison in processing an insurance application.

It would have been obvious to one of ordinary skill in the art given the prior art as a whole to conduct the known simultaneous comparison between application data and underwriting criteria in processing an insurance application (i.e., Luchs), where the underwriting criteria has a real-time current property, because the use of real-time current underwriting criteria in an application approval process is known (i.e., Lent),

E. CONCLUSION OF LAW

For the foregoing reasons, Appellants have not shown error in the rejection of the claims.

DECISION

The decision of the Examiner to reject claims 1-40 is affirmed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED

JRG

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STATEMENT OF THE CASE

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- claims 1-40 under 35 U.S.C. § 112, first paragraph, as failing to comply with the written description requirement; and,
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The invention relates to a process of processing a single-user insurance application. The process involves comparing data contained in the application with certain underwriting criteria. Specification, pp. 16-17. According to claim 1 (see below), the comparison is made between application data and "real-time current underwriting criteria." Depending on the results of the comparison, the application is automatically approved or denied. Specification, p. 20. An object of the invention is to provide a process for "automating the insurance application process so as to allow a consumer to apply for and receive a policy of insurance speedily and easily." Specification, p. 3.

The Brief[1] (p. 4) argues the claims as a group. Pursuant to the rules, the Board selects representative claim 1 to decide the appeal. 37 C.F.R. § 41.37(c)(1)(vii) (2006). Accordingly, all the claims stand or fall with claim 1. Claim 1 reads:

[1] Our decision will make reference to Appellants' Appeal Brief ("Br.," filed Nov. 2, 2005) and the Examiner's Answer ("Answer," mailed Mar. 7, 2006).

1. A method of processing an insurance application, comprising the steps of:

receiving an application for a policy of insurance from a user over a computer network;

automatically approving or denying the application based on a comparison of data contained in the application with real-time current underwriting criteria;

automatically offering a policy of insurance to the user in response to the application over the computer network if the application is approved based on the real-time current underwriting criteria and presenting the policy to the user for electronic acceptance; and

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wherein all the steps of said method occur during a single user session on the computer network, and wherein the policy of insurance provides insurance coverage for the user without a post user-session delay period.

I. WRITTEN DESCRIPTION

A. ISSUE

The issue is whether Appellants have shown error in the Examiner's rejection on the grounds that the Specification does *not* reasonably convey to those skilled in the relevant art that the inventors, at the time the application was filed, had possession of the claimed process for processing an insurance application involving "automatically approving or denying the application based on a comparison of data contained in the application with *real-time current underwriting criteria.*"

B. FACTS

The record supports the following findings of fact (FF) by a preponderance

of the evidence.

1. The Examiner argued that the phrase "real-time" in the following step of claim 1,

> automatically approving or denying the application based on a comparison of data contained in the application with real-time current underwriting criteria,

was added by amendment to the original claim but does not have written descriptive support in the Specification. Answer 3.

2. In response, Appellants directed attention to two passages from pages 16-17 and 20 of the Specification as a "non-limiting example" (Br. 5) that supports the claimed limitation (as Appellants articulate it) that "the current underwriting criteria is applied commensurate in time with at least one criteria" (Br. 5.) The passages read as follows:

> Clicking on region 658 completes step 204 of the application process and completes the transmission of the application to the issuer. At this point, the system compares the data contained in the application with certain underwriting criteria contained in database 104 or in code in step 206 (see fig. 2). Although in the PC Web Embodiment certain data are compared with certain criteria at earlier stages of the application process (such as the maximum insurable value per system and per insured at Web page 330 and the state of coverage at Web page 306 as discussed above), in other embodiments, similar comparisons might be performed at this point. Also, the identity of the insured might optionally be checked against a list of frequent claimants to avoid fraudulent claims and a list of delinquent debtors to avoid credit losses, depending on the method of payment. Other comparisons with stored underwriting criteria could be performed as well, depending on the underwriting criteria ordinarily utilized by the insurer in question. Moreover, although in the PC Web Embodiment the maximum insurable value per system is stored in code, in an embodiment involving more complex or varied underwriting criteria, such criteria might be stored

in a database.

> In any event, all of the criteria employed in connection with the evaluation of an application for any policy of insurance must be purely objective in nature so that the system may evaluate the application automatically without the need for human intervention. Examples of acceptable data that may be elicited by the system are selections from lists stored in database 104 (such as a stored list of occupations), yes or no answers to specific questions, numbers, and dates. Other data may also be gathered from the applicant for claim processing or marketing purposes, but any narrative answers or non-objective data cannot be used in the application evaluation process.

3. The sentence in the cited passages above that most closely matches the point Appellants were making reads: "Clicking on region 658 completes step 204 of the application process and completes the transmission of the application to the issuer. At this point, the system compares the data contained in the application with certain underwriting criteria contained in database 104 ... ." Emphasis added.

4. Based in part on these passages Appellants argued that "when one action occurs, and another action occurs "at this point (in time)," it is readily apparent that the two actions occur "[sic] commensurate in time." Br. 6.

5. The Examiner responded by arguing that Appellants did not point to any support for a "real time current" underwriting criteria feature and requested that Appellants specifically point out support for *real-time current* (Examiner's emphasis) underwriting criteria in the originally filed specification and claims. Appellants do not appear to have responded to the request.

C. PRINCIPLES OF LAW

1. "What is claimed by the patent application must be the same as what is

disclosed in the specification; otherwise the patent should not issue." *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 736, 62 USPQ2d 1705, 1712 (2002).

2. All that is necessary to satisfy the description requirement is to show that one is "in possession" of the invention. *Lockwood* accurately states the test. *See Lockwood v. American Airlines, Inc.*, 107 F.3d 1565, 1572, 41 USPQ2d 1961, 1966 (Fed. Cir. 1997); and *Vas- Cath Inc. v. Mahurkar* , 935 F.2d 1555, 1563-64, 19 USPQ2d 1111, 1117 (Fed. Cir. 1991).

> One shows that one is "in possession" of *the invention* by describing *the invention*, with all its claimed limitations, ... *Id.* (" [T]he applicant must also convey to those skilled in the art that, as of the filing date sought, he or she was in possession *of the invention.* The invention is, for purposes of the 'written description' inquiry, *whatever is now claimed.*") (emphasis in original). One does that by such descriptive means as words, structures, figures, diagrams, formulas, etc., that fully set forth the claimed invention. Although the exact terms need not be used *in haec verba, see Eiselstein v. Frank*, 52 F.3d 1035, 1038, 34 USPQ2d 1467, 1470 (Fed. Cir. 1995) (" [T]he prior application need not describe the claimed subject matter in exactly the same terms as used in the claims.. . ."), the specification must contain an equivalent description of the claimed subject matter.

Lockwood, 107 F.3d at 1572, 41 USPQ2d at 1966 (emphasis original).

3. Compliance with the written description requirement is a question of fact. *Ralston Purina Co. v. Far-Mar-Co, Inc.*, 772 F.2d 1570, 1575, 227 USPQ 177, 179 (Fed. Cir. 1985).

D. ANALYSIS

Appellants' argument does not persuade us as to error in the rejection.

The question is whether the Specification reasonably conveys to one of ordinary skill that Appellants had possession, at the time the application was filed, of a process for processing an insurance application involving "automatically approving or denying the application based on a comparison of data contained in the application with *real-time current underwriting criteria*." The Examiner has made it clear that he was unable to find written descriptive support for the use of *real-time current underwriting criteria* in the original specification. FF 1 and 5. Appellants appear to have misunderstood the Examiner, believing that the Examiner found no written descriptive support for "current underwriting criteria [being] commensurate in time with at least one criteria." FF 2. The passages Appellants rely upon for written descriptive support say nothing about "real-time current underwriting criteria." FF 2. While the passages clearly indicate that "the system compares the data contained in the application with certain underwriting criteria" (FF 3) at the "point" the transmission of the application to the issuer is complete, it provides no insight into the currency of the underwriting criteria. The passages are not germane to the question of whether the original Specification reasonably conveys to one of ordinary skill in the art that the approving or denying of the application is based on a comparison of data contained in the application with *real-time current underwriting criteria*.

E. CONCLUSION OF LAW

On the record before us, Appellants have not shown error in the Examiner's rejection on the grounds that the Specification doe *not* reasonably convey to those skilled in the relevant art that the inventors, at the time the application was filed, had possession of the claimed invention.

II. OBVIOUSNESS.

A. ISSUE

The issue is whether Appellants have shown error in the rejection of the claim over the cited prior art.

B. FACTS

The record supports the following findings of fact (FF) by a preponderance of the evidence.

1. Appellants did not address and thus did not traverse the Examiner's characterizations of the scope and content of Luchs, Bland, and Pescitelli (see Answer 5-7). Br. 7-8.

2. The Examiner found that "[Luchs, Bland, and Pescitelli] fail to teach offering a policy of insurance to the user based upon on real-time current underwriting criteria" (Answer 7) and relies on Lent to show the use of real-time data in an approval process.

> [Lent] teaches a system and method for providing real time approval credit over a network involving an underwriter (110, Fig. 1) receiving data from the parsing engine and evaluating the data to determine if an applicant

should receive an offer for credit by comparing the applicant's Fair Isaac Risk Score (FICO) to certain thresholds (see: column 4, lines 18-37 and abstract). The FICO Score is updated in real time and used for approval and offering of credit to applicant.

Answer 8.

3. Lent, col. 4, ll. 18-37 reads:

> Underwriter 110 receives data from the parsing engine and evaluates the data to determine if the applicant should receive an offer for credit. In one embodiment, the Underwriter sends the parsed data to at least two credit bureaus, receives data from the credit bureaus, and makes an underwriting decision based on an analysis of the credit bureau data. The analysis may include, but is not limited to, comparing the applicant's Fair Isaac Risk Score (FICO score) to certain thresholds. Underwriter 110 is described in further detail in FIGS. 6A and 6B. If the Underwriter determines that an offer of credit should be extended to the applicant, then an offer is made in real time to the applicant. As is described below, the offer may include one or more sets of alternative terms and those terms may be conditioned on the applicant taking certain actions such as transferring balances. The applicant may be required to actually take such actions in real time before an offer conditioned on such actions is confirmed. If the Underwriter determines that no offer of credit should be extended, then the Underwriter determines a reason for rejecting the applicant.

4. Appellants stated that "Examiner admits that Luchs, Bland and Pescitelli fail to teach the offering of a policy of insurance to the user based upon contemporaneous current underwriting criteria" (Br. 7). But Appellants did not address the Examiner's reliance on Lent to show, as known, the missing disclosure, i.e., the use of real-time data in an approval process. Therefore Appellants did not traverse the Examiner's characterization of Lent as showing the use of real-time data in an approval process.

5. Appellants argued that Lent does not teach using current underwriting criteria simultaneously with application data in the application approval process. Br. 7.

> [Lent] fails to teach or suggest the use of current underwriting criteria within and simultaneously with the data of the application process. Rather, Lent merely uses data obtained in the application process to externally retrieve third-party underwriting information that is then compared against system thresholds (see Lent, col. 4, lines 18-37). Therefore, Lent requires that internal data be compared against external data, necessitating an extra step not necessitated, and in fact taught away from, by the present invention. Rather, by incorporating current underwriting criteria with the other criteria and the data in the present invention, the present invention can manipulate all data at a substantially commensurate time, thereby approximating real time, and further, the present invention optimizes over the prior art by eliminating extra steps in the prior art.

Appeal Br. 8.

6. Claim 1 does not expressly state that the process for processing an insurance application involves manipulating all data at a "substantially commensurate time, thereby approximating real time" as Appellants have argued. Nevertheless claim 1 does call for "automatically approving or denying the application based on a comparison of data contained in the application with real-time current underwriting criteria." Comparing application data and current underwriting criteria must necessarily occur at a single time, i.e., simultaneously.

7. The Examiner did not rely on Lent to show simultaneous comparison between application data and underwriting criteria. To show that comparing application data and underwriting criteria is known, the Examiner relied upon the disclosures at col. 7, ll. 29-31 and col. 8, ll. 1-8 of Luchs. Answer 5. This is also

shown at col. 4, ll. 37-39 of Luchs whereat it states that "data included in the insurance application is electronically and automatically compared to certain underwriting criteria." Appellants did not traverse the Examiner's finding that Luchs shows "the claimed automatically approving or denying of the application based on comparison of data contained in the application with stored underwriting criteria" (Answer 5). Br. 7-8.

C. PRINCIPLES OF LAW

Section 103 forbids issuance of a patent when "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains."

In *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1 (1966), the Court set out a framework for applying the statutory language of §103, language itself based on the logic of the earlier decision in *Hotchkiss v. Greenwood*, 11 How. 248 (1851), and its progeny. *See* 383 U.S., at 15-17. The analysis is objective:

> Under §103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved. Against this background the obviousness or nonobviousness of the subject matter is determined. Such secondary considerations as commercial success, long felt but unsolved needs, failure of others, etc., might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented."

Id., at 17-18. "While the sequence of these questions might be reordered in any

particular case, the factors continue to define the inquiry that controls. If a court, or patent examiner, conducts this analysis and concludes the claimed subject matter was obvious, the claim is invalid under § 103." *KSR Int'l v. Teleflex Inc.*, 127 S.Ct. 1727, 1734, 82 USPQ2d 1385, 1391 (2007).

D. ANALYSIS

Appellants argued that Lent does not teach using current underwriting criteria simultaneously with application data in the application approval process. FF 5.

The argument is unpersuasive as to error in the rejection for a number of reasons.

Appellants did not traverse the Examiner's finding that the use of real-time current underwriting criteria in an application approval process is known. FF 4. Accordingly, the only question is whether the cited prior art shows simultaneously comparing application data and current underwriting criteria. In that regard, Appellants focus their attention on Lent. However, as the Examiner has made clear, it is Luchs which provides the evidence that comparing application data and underwriting criteria in processing an insurance application is known. FF 7. Appellants did not address the disclosure of Luchs and therefore did not traverse the Examiner's finding that Luchs shows comparing application data and underwriting criteria in processing an insurance application. FF 1 and 7. In comparing two sets of data, a comparison is necessarily accomplished at a single point in time, i.e., simultaneously. FF 6. Accordingly, in disclosing comparing

application data and underwriting criteria, Luchs necessarily discloses their simultaneous comparison in processing an insurance application.

It would have been obvious to one of ordinary skill in the art given the prior art as a whole to conduct the known simultaneous comparison between application data and underwriting criteria in processing an insurance application (i.e., Luchs), where the underwriting criteria has a real-time current property, because the use of real-time current underwriting criteria in an application approval process is known (i.e., Lent),

E. CONCLUSION OF LAW

For the foregoing reasons, Appellants have not shown error in the rejection of the claims.

DECISION

The decision of the Examiner to reject claims 1-40 is affirmed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED

JRG

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